



Request for City Council Committee Action from the Department of Public Works

Date: March 18, 2014

To: Honorable Kevin Reich, Chair Transportation & Public Works Committee

Referral To: Honorable John Quincy, Chair Ways & Means Committee

Subject: **Public Hearing: 2014 Resurfacing Program – Loring Park area and South North Loop area**

Recommendation:

A. Pass a Resolution ordering the City Engineer to proceed and do the work and adopt special assessments in the amount of \$489,856.90 for the Loring Park area and the South part of the North Loop area, Project No 5260 Street Resurfacing project.

B. Pass a Resolution requesting the Board of Estimate and Taxation to issue and sell assessment bonds in the amount of \$489,856.90 for the Loring Park and S North Loop area Street Resurfacing project with the bonds to be paid for from special assessments.

Previous Directives:

- February 7, 2014 Council resolution 2014R-035 designating the locations and streets to be improved.
- November 12, 2013 Council resolution 2013R-509 establishing the 2014 Uniform Assessment Rates.

Department Information:

Prepared by: Suzette Hjermstad, Supervisor, PW Special Assessment Office 643-2401
Michael D. Kennedy, P.E. Director, Transportation, Maintenance & Repair

Approved by: _____

Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Michael D. Kennedy, P.E. Director, Transportation, Maintenance & Repair

Financial Impact

Special assessments against benefited properties.

Community Impact

Neighborhood Notification: Public hearing notices to be mailed to benefited property owners.

Neighborhood Meetings: Pre-public hearing meeting held on March 11, 2014.

City Goals: Maintain the physical infrastructure to ensure a healthy, vital and safe city.

Supporting Information

Background

On February 7, 2014, the City Council designated the locations, streets and improvements proposed to be made in the Loring Park area and the South part of the North Loop area neighborhood. The cost estimate for this project is \$747,454 and is financed by net debt bonds and special assessments.

The locations of the streets that are included in the Loring Park area resurfacing project are 13th St N, 15th St N, 16th St N, Laurel Av, Linden Av, Maple St, Harmon Pl and Hennepin Av described as:

- 13th St N from Hennepin Av to Hawthorne Av, last paved in 1941.
- 15th St N from Laurel Av to Hawthorne Av, paved in 1991.
- 16th St N from Hennepin Av to Linden Av, last paved in 1979.
- Laurel Av from 16th St N to Hennepin Av, last paved in 1936.
- Maple St from Harmon Pl to Hennepin Av, last paved in 1939.
- Harmon Pl from Maple St to Harmon Pl Service Rd, last paved in 1932.
- Hennepin Av from the west curb line of 16th St N/Maple St to 12th St, last paved in 1986.

The locations of the streets that are included in the South North Loop area resurfacing project are Chestnut Av, Currie Av and Linden Av and described as:

- Chestnut Av from 15th St N to 12th St N, last paved in 1939.
- Currie Av from the dead end (approximately 615 feet westerly of the west right-of-way line of 12th St N) to 12th St N, last paved in 1961.
- Linden Av from 15th St N to 16th St N. There is no record when this segment was last paved.

The street resurfacing would be a mill and overlay of the street surface with plant mix asphalt and other paving-related improvements as needed. This paving project is scheduled to begin in spring 2014 and will be constructed by the City's workforce.

Special Assessments

The street resurfacing special assessments were determined by applying the 2014 Uniform Assessment Rates to the land area of benefited parcels located within the street influence zone along the improved streets. The approved 2014 resurfacing rates are:

\$0.60/sq. ft. – Non-Residential

\$0.20/sq. ft. – Residential

The proposed total assessment amount is \$489,856.90 for the Loring Park area and the South part of the North Loop area project. Individual assessments of more than \$150 would be collected over 5 years beginning on the 2015 real estate tax statements with interest charged at the same rate as the City pays in interest for selling assessment bonds. Assessments of \$150 or less would be collected in their entirety on the 2015 real estate tax statements with interest charged at the same rate as the City pays in interest for selling

assessment bonds. Information has been provided in the notices as to how persons may prepay the special assessments in full without interest if they so choose.

City Council has passed resolutions whereby a deferment of special assessments may be obtained by showing hardship for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability.

Attachments – Map

Cc: Council Member Blong Yang, Ward 5

Council Member Lisa Goodman, Ward 7

Jack Qvale, Secretary, Board of Estimate and Taxation

T&PW – Your Committee recommends passage and summary publication of the accompanying Resolutions:

1. Ordering the work to proceed and adopting the special assessments for the 2014 Resurfacing Program, Loring Park area and the South part of the North Loop area Street Resurfacing Project, Special Improvement of Existing Street No. 5260.

2. Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds for the purpose of paying the assessed cost of street improvements in the Loring Park area and S North Loop area Street Resurfacing Project.

Reich

2014 STREET RESURFACING PROGRAM

**LORING PARK AREA AND S NORTH LOOP AREA
STREET RESURFACING PROJECT
SPECIAL IMPROVEMENT OF EXISTING STREET NO 5260**

**Ordering the work to proceed and adopting the special assessments
for the Loring Park area and S North Loop area Street Resurfacing Project.**

Whereas, a public hearing was held on March 18, 2014 in accordance with Chapter 10, Section 8 of the Minneapolis City Charter and Section 24.180 of the Minneapolis Code of Ordinances to consider the proposed improvements as designated in Resolution 2014R-035, passed February 7, 2014 to consider the proposed special assessments as on file in the Office of the City Clerk and to consider all written and oral objections and statements regarding the proposed improvements and the proposed special assessments;

Now, Therefore Be It Resolved by the City Council of the City of Minneapolis:

That the City Engineer is hereby ordered to proceed and do the work as designated in said Resolution 2014R-035, passed February 7, 2014.

Be It Further Resolved that the proposed special assessments in the total amount of \$489,856.90 for the Loring Park area and the South part of the North Loop area Street Resurfacing Project No 5260 as on file in the office of the City Clerk be and hereby are adopted and assessed against the benefited properties.

Be It Further Resolved that the number of successive equal annual principal installments by which the special assessments of more than \$150 may be paid shall be fixed at five (5) and that the interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to begin on the 2015 real estate tax statements.

Be It Further Resolved that the number of installments by which the special assessments of \$150 or less may be paid shall be fixed at one (1) and that the interest be charged at the same rate as the City pays in interest for selling assessment bonds with collection of the special assessments to be on the 2015 real estate tax statements.

Reich and Quincy

Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$489,856.90 for certain purposes other than the purchase of public utilities.

Resolved by the City Council of the City of Minneapolis:

That the Board of Estimate and Taxation be requested to incur indebtedness and issue and sell City of Minneapolis bonds for the purpose of paying the assessed costs of street improvements in the Loring Park area and the South part of the North Loop area Street Resurfacing Project, Special Improvement of Existing Street No 5260, to be assessed against benefited properties as estimated by the City Council, which assessments shall be collected in five (5) successive annual installments , payable in the same manner as real estate taxes.